Senate



General Assembly

File No. 604

January Session, 2013

Substitute Senate Bill No. 802

Senate, April 24, 2013

The Committee on General Law reported through SEN. DOYLE of the 9th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING CONNECTICUT'S EGG STATUTES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- Section 1. Section 22-40 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):
- 3 (a) All shell eggs of chickens sold or offered for sale for human
- 4 consumption <u>in this state</u> by any person, firm or corporation shall be
- 5 labeled with the grade and size designation as set forth in the
- 6 consumer grades, except as hereinafter provided, and shall be labeled
- 7 in compliance with the federal Food, Drug and Cosmetic Act and the
- 8 federal Egg Products Inspection Act. All shell eggs of turkeys, ducks,
- 9 quail, guinea fowl or other birds whose eggs are suitable for human
- 10 consumption and that are sold or offered for sale in this state by any
- 11 person, firm or corporation shall be labeled in compliance with the
- 12 federal Food, Drug and Cosmetic Act and the federal Nutrition
- 13 <u>Labeling and Education Act</u>.
- 14 (b) All retail establishments shall handle and store all shell eggs in

15 compliance with the federal Food, Drug and Cosmetic Act. All shell

- 16 egg distribution and shell egg grading establishments shall store,
- 17 <u>handle and transport eggs in compliance with the federal Egg Products</u>
- 18 <u>Inspection Act.</u>
- 19 (c) All shell eggs offered for sale shall be held, stored and
- 20 transported at an ambient air temperature of not greater than forty-five
- 21 degrees Fahrenheit, except that shell eggs may, for a functional reason,
- 22 <u>be tempered for processing, provided such eggs are not held for more</u>
- 23 than thirty-six hours at room temperature.
- Sec. 2. Section 22-41 of the general statutes is repealed and the
- 25 following is substituted in lieu thereof (*Effective from passage*):
- 26 [The standards of quality for consumer grades for shell eggs grade
- 27 AA, grade A, grade B and grade C, established by the Commissioner
- 28 of Agriculture, after consultation with the Commissioner of Consumer
- 29 Protection, under the provisions of subsection (b) of section 22-27 and
- 30 section 22-29, shall apply to all shell eggs sold or offered for sale by
- 31 any person, firm or corporation. Any edible eggs not conforming to the
- 32 specifications of grade AA, A, B or C shall be sold as "undergrade
- eggs", or as "checks", "cracks" or "dirties".] All shell eggs of chickens
- 34 sold or offered for sale by any person, firm or corporation shall meet at
- 35 <u>least one of the consumer grades for shell eggs established by the</u>
- 36 United States Department of Agriculture under the federal Egg
- 37 <u>Products Inspection Act. Nonconforming edible eggs of chickens shall</u>
- 38 <u>be sold as "undergrade eggs", or as "checks", "cracks" or "dirties".</u> The
- 39 final determination as to meeting these grades shall be made by
- 40 candling.
- Sec. 3. Section 22-42 of the general statutes is repealed and the
- 42 following is substituted in lieu thereof (*Effective from passage*):
- The net weight and size requirements for consumer grades for shell
- 44 eggs, established by the [Commissioner of Agriculture, after
- 45 consultation with the Commissioner of Consumer Protection, under
- 46 the provisions of subsection (b) of section 22-27, United States

47 Department of Agriculture under the federal Egg Products Inspection

- 48 Act shall apply to all shell eggs of chickens sold or offered for sale in
- 49 <u>this state</u> by any person, firm or corporation.
- Sec. 4. Section 22-44 of the general statutes is repealed and the
- 51 following is substituted in lieu thereof (*Effective from passage*):
- The term "fresh eggs", "strictly fresh eggs", "hennery eggs" or "new-
- 53 laid eggs" or words or descriptions of similar import shall not be used
- 54 on any eggs which do not meet the minimum requirements for
- 55 consumer grade A, or on any eggs which have been held in cold
- storage for more than thirty days. The word "Connecticut" may not be
- 57 used in connection with the official grades unless the person or firm
- 58 engaged in packing the eggs is registered with the state's Department
- of [Consumer Protection] Agriculture and the eggs were produced on
- 60 Connecticut farms.
- Sec. 5. Section 22-45 of the general statutes is repealed and the
- 62 following is substituted in lieu thereof (*Effective from passage*):
- 63 (a) No person, firm or corporation shall advertise, falsely label, sell
- or offer for sale any eggs which do not conform to the [standards for
- quality and size for consumer grades established by the Commissioner
- of Agriculture, after consultation with the Commissioner of Consumer
- 67 Protection, under the provisions of subsection (b) of section 22-27 and
- 68 section 22-29, or which do not conform to the provisions of sections 22-
- 69 40 to 22-44, inclusive] provisions of this part.
- 70 (b) The sale of: [inedible] (1) Inedible or adulterated eggs, as defined
- 71 under the federal Food, Drug and Cosmetic Act, or the federal Egg
- 72 Products Inspection Act, or (2) incubated eggs is prohibited, except
- 73 that incubated eggs may be sold as commercial feed or for other
- 74 commercial purposes other than human consumption, provided such
- 75 incubated eggs shall be broken and denatured on the premises where
- 76 incubated, in a manner approved by the Commissioner of [Consumer
- 77 Protection] Agriculture or the commissioner's designated agent.

Sec. 6. Section 22-48 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

- [The Commissioner of Consumer Protection shall enforce the provisions of sections 22-40 to 22-45, inclusive, and may adopt suitable regulations to carry out such enforcement.]
- 83 Commissioner of Consumer Protection (a) The the 84 commissioner's designated agent shall enforce the provisions of this 85 part by inspection of retail and wholesale distribution establishments 86 in this state at a frequency determined by the commissioner. The Commissioner of Consumer Protection or the commissioner's 87 88 designated agent may issue any notice of violation or order necessary 89 to ensure compliance with this part. The Commissioner of Consumer 90 Protection, in consultation with the Commissioner of Agriculture, may 91 adopt regulations to carry out the provisions of this subsection.
- 92 (b) The Commissioner of Agriculture or the commissioner's 93 designated agent shall enforce the provisions of this part by inspection 94 of egg producers and egg grading plants in this state at a frequency 95 determined by the Commissioner of Agriculture. The Commissioner of 96 Agriculture or the commissioner's designated agent may issue any 97 notice of violation or order necessary to ensure compliance with this 98 part. The Commissioner of Agriculture, in consultation with the Commissioner of Consumer Protection, may adopt regulations to carry 99 100 out the provisions of this subsection.
- Sec. 7. Section 22-48a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):
- [Each person, firm or corporation operating an egg-grading plant in Connecticut, which engages in receiving eggs from Connecticut producers for processing, distribution or sale, shall register with the Commissioner of Agriculture in a manner and on forms prescribed and furnished by the commissioner. Such registration shall be renewed annually during the month of October. Such registered person, firm or corporation shall not receive eggs for processing without a permit

from the commissioner. Each person, firm or corporation so registered shall keep on file a list of all producers from which eggs are received.]

- (a) For the purposes of this part, (1) "egg-grading plant" means any person, firm or corporation who engages in grading, washing or packing eggs in this state; (2) "egg distributor" means any person, firm or corporation in this state who receives packaged eggs and who distributes such eggs in the original packaging to institutional, wholesale or retail establishments; (3) "shell egg" means any egg still in the shell; and (4) "egg" means a shell egg.
- 119 (b) Each person, firm or corporation operating an egg grading plant in this state shall register with the Commissioner of Agriculture in a 120 121 manner and on forms prescribed and furnished by the commissioner. Such registration shall be renewed annually during the month of 122 123 October. Each location where eggs are washed, graded or packed in 124 the final container shall be registered separately. Such registered 125 person, firm or corporation shall not receive, distribute, process or 126 offer eggs for sale without a permit.
- (c) Each person, firm or corporation distributing eggs in this state
 shall register with the Commissioner of Consumer Protection in a
 manner and on forms prescribed and furnished by the Commissioner
 of Consumer Protection. Such registered person, firm or corporation
 shall not receive, distribute, process or offer eggs for sale in this state
 without a permit.
- 133 (d) Each registration for an egg grading plant or an egg distributor shall be renewed annually during the month of October. The annual 134 registration and renewal fee for an egg grading plant or an egg 135 136 distributor shall be fixed as follows: (1) For firms processing or handling less than six thousand dozen eggs per year, twenty dollars; 137 (2) for firms processing or handling more than six thousand and less 138 139 than thirty thousand dozen eggs per year, one hundred dollars; (3) for firms processing or handling more than thirty thousand and less than 140 141 one hundred fifty thousand dozen eggs per year, three hundred 142 dollars; or (4) for firms processing or handling more than one hundred

143 <u>fifty thousand dozen eggs per year, four hundred dollars.</u>

(e) Each person registered pursuant to this section shall, at all times, keep on file a list of all sources from which eggs are received and a list of all accounts to which eggs are sold. Such lists shall be subject to inspection and shall be provided to the Commissioner of Agriculture or the Commissioner of Consumer Protection, as applicable, or such commissioners' respective designated agent upon request.

- (f) Any application for registration or registration issued pursuant to this section may be refused, suspended or revoked for cause. In refusing to register or, in suspending or revoking any registration, the Commissioner of Agriculture or the Commissioner of Consumer Protection, as applicable, shall give due consideration to the applicant's or registrant's, as applicable, history of compliance with any written orders or notices of violation issued for any violation of this part or for any written violation of the general statutes or the regulations of Connecticut state agencies concerning food storage, food handling, food sanitation, food safety, egg room sanitation, egg disinfection, egg holding, egg packing, egg storage or egg cooling requirements. All registrations issued pursuant to this section shall be nontransferable.
- (g) Any person aggrieved by an order of the Commissioner of Agriculture or the Commissioner of Consumer Protection, as applicable, or such commissioners' respective designated agent may appeal such order and request an administrative hearing, provided such appeal is in writing and received by the commissioner of the issuing agency not later than ten days after the date such person received such order. Such administrative hearing, if properly requested, shall be held not later than forty-five days after the date of such request. Any appeal made pursuant to this section shall be limited to whether or not the conditions or violations cited in such order existed. The Commissioner of Agriculture or the Commissioner of Consumer Protection, as applicable, or such commissioners' respective designated hearing officer shall render a final decision based upon all the evidence introduced, applying all pertinent

184, except that any such appeal shall be taken to the superior court for

176 provisions of law and regulations. Any final order of the
177 Commissioner of Agriculture or the Commissioner of Consumer
178 Protection, or such commissioners' respective designated hearing
179 officer shall be subject to appeal, as set forth in sections 4-183 and 4-

181 <u>the judicial district of Hartford.</u>

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This act shall take effect as follows and shall amend the following sections:				
Section 1	from passage	22-40		
Sec. 2	from passage	22-41		
Sec. 3	from passage	22-42		
Sec. 4	from passage	22-44		
Sec. 5	from passage	22-45		
Sec. 6	from passage	22-48		
Sec. 7	from passage	22-48a		

GL Joint Favorable Subst.

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 14 \$	FY 15 \$
Department of Agriculture	GF - Potential	1,200	1,200
	Revenue Gain		
Consumer Protection, Dept.	GF - Potential	12,000	12,000
	Revenue Gain		

Municipal Impact: None

Explanation

The bill requires egg-grading plants and egg distributors to register with the departments of Agriculture and Consumer Protection. As it is anticipated that the firms that would register would be processing more than 150,000 dozen eggs annually, the fee for registration with both agencies would be \$400 per firm (based on the tiered system of registration fees).

Three egg-grading firms are anticipated to register with the Department of Agriculture at an annual fee of \$400 each, generating approximately \$1,200 in revenue.

There are 30 egg distributors anticipated to register with the Department of Consumer Protection (DCP), also at an annual fee of \$400 each, generating approximately \$12,000 in annual revenue.

The Out Years

State Impact: None

Municipal Impact: None

OLR Bill Analysis sSB 802

AN ACT CONCERNING CONNECTICUT'S EGG STATUTES.

SUMMARY:

This bill updates Connecticut's statutes regulating eggs. It requires chicken eggs to be labeled, stored, handled, and graded in accordance with federal law. It prohibits the sale of adulterated eggs. By law, egg producers who sell eggs directly to consumers (e.g., from the farm or at a farmers' market) are exempt from Connecticut's egg statutes (CGS § 22-47).

Current law defines an "egg-grading plant" as a person or entity that receives eggs from Connecticut producers for processing, distribution, or sale. The bill splits egg facilities into two entities, egggrading plant and egg distributor, and removes the limitation that the eggs be from Connecticut producers.

The bill grants regulatory authority over (1) egg-grading plants to the Department of Agriculture (DoAg) and (2) egg distributors to the Department of Consumer Protection (DCP). It establishes annual registration fees for both egg-grading plants and egg distributors. Registrations are nontransferable and may be refused, suspended, or revoked for cause.

The bill allows anyone aggrieved by an order of the DoAg or DCP commissioner to appeal the order and request an administrative hearing. Final orders may be appealed to Hartford Superior Court.

By law, anyone who violates the egg statutes is subject to a fine up to \$50 for the first offense and up to \$200 for each subsequent offense.

EFFECTIVE DATE: Upon passage

§ 1 — EGG LABELING, STORAGE, AND HANDLING Labeling

Current law requires all shell eggs sold or offered for sale for human consumption to be labeled with grade and size. The bill requires eggs to be labeled in accordance with federal law, and distinguishes between chicken eggs and eggs from other birds (e.g., turkey, ducks, quail, or guinea fowl).

The bill requires sellers of chicken eggs to label the eggs in accordance with the federal Food, Drug and Cosmetic and Egg Products Inspection acts. These acts require eggs to be labeled with safe handling instructions, nutrition information, and pasteurization information, if applicable.

The bill requires sellers of other birds' eggs to label the eggs in accordance with the federal Food, Drug and Cosmetic and Nutrition and Labeling and Education acts. These acts require eggs to be labeled with safe handling instructions and nutrition information, as well as the name of the species.

Storage and Handling

The bill requires (1) retail establishments to handle and store all eggs in accordance with the federal Food, Drug and Cosmetic Act and (2) egg-grading plants and egg distributors to handle, store, and transport all eggs in accordance with the federal Egg Products Inspection Act. These acts generally require eggs to be kept at or below 45 degrees Fahrenheit.

The bill specifies that all eggs must be held, stored, and transported at no more than 45 degrees, but for functional reasons, eggs may be tempered for processing for up to 36 hours at room temperature.

§ 2 — GRADING CHICKEN EGGS

The bill requires chicken eggs to meet at least one of the consumer grades the U.S. Department of Agriculture (USDA) has established under the Egg Products Inspection Act. USDA allows edible eggs to

be graded as AA, A, or B. The grades indicate the quality of the egg. (Current state law allows for eggs to be graded as AA, A, B, or C.)

As under existing law, nonconforming eggs must be sold as undergrade eggs, checks, cracks, or dirties. Although the bill does not define these terms, USDA defines a (1) "dirty" as an egg with an unbroken shell with adhering dirt or foreign material or stains and (2) "check" as an egg with a broken or cracked shell but with the shell membrane intact so that its contents do not leak.

The bill, as under existing law, requires grading determinations to be made through a process called candling, which involves eggs being examined under certain lighting to determine their condition.

§ 4 — CONNECTICUT EGGS

The bill shifts from DCP to DoAg the duty to register egg packers who use the word "Connecticut" in their grading system. The eggs must continue to be produced on Connecticut farms.

§ 3 — WEIGHT AND SIZE REQUIREMENTS OF CHICKEN EGGS

Current law requires the net weight and size requirements for eggs developed by the DoAg commissioner, in consultation with the DCP commissioner, to apply to all eggs sold or offered for sale. The bill instead requires the USDA's net weight and size requirements to apply to all chicken eggs sold or offered for sale in Connecticut. It does not specify weight and size requirements for eggs from other birds.

\S 5 — SALE OF NONCONFORMING EGGS PROHIBITED; EXCEPTION

The bill prohibits advertising, falsely labeling, selling, or offering for sale any eggs that do not conform to the state's egg laws. Current law prohibits such activity for eggs that do not meet the standards for quality and size established by the DoAg and DCP commissioners.

Current law prohibits the sale of inedible eggs. The bill additionally prohibits the sale of adulterated eggs, as that term is defined in federal law. The federal Egg Products Inspection Act defines an "adulterated

egg" as an egg that is generally injurious to health or unfit for human consumption.

Current law also prohibits the sale of incubated eggs, with one exception. Incubated eggs may be sold as commercial feed or for other commercial purposes, other than human consumption, if they are broken and denatured at the same location at which incubated and in a manner the DCP commissioner approves. The bill instead requires the DoAg commissioner, or his designee, to grant approval.

§ 6 — REGULATORY AUTHORITY

Current law requires the DCP commissioner to enforce the egg statutes and allows him to adopt regulations. The bill splits the enforcement responsibilities between the DCP and DoAg commissioners.

Specifically, the DCP commissioner, or his designee, must enforce the provisions relative to retail and wholesale distributors. The DoAg commissioner, or his designee, must enforce the provisions relative to egg producers and egg grading plants. The inspections must be done at a frequency they determine.

The commissioners may issue any notices of violation or orders needed to ensure compliance. They may also, in consultation with each other, adopt implementing regulations.

§ 7 — REGISTRATION OF EGG-GRADING PLANTS AND EGG DISTRIBUTORS

Egg-grading Plants

The law requires egg-grading plants in Connecticut to register with the DoAg commissioner, and thereby get a permit to receive eggs for processing. No one can receive eggs for processing without a permit. Registrations must be renewed annually in October.

The bill defines "egg-grading plant" as a person or entity who grades, washes, or packs eggs in Connecticut. It requires each location where eggs are graded, washed, or packed to be registered separately.

It prohibits anyone from receiving, distributing, processing, or offering for sale eggs without a permit, presumably received from the commissioner upon registration.

The bill establishes fees for registering an egg-grading plant and renewing a registration (see below).

Egg Distributors

The bill requires egg distributors in Connecticut to register with the DCP commissioner on forms he prescribes. Registrations must be renewed annually in October. The bill defines an "egg-distributor" as a person or entity who receives packed eggs and distributes them in the original packaging to institutional, wholesale, or retail establishments. It prohibits anyone from receiving, distributing, processing, or offering for sale eggs without a permit, presumably received from the commissioner upon registration.

The bill establishes fees for registering an egg distributor and renewing a registration (see below).

Registration Fees

The bill establishes a graduated fee structure for egg-grading plant and egg distributor registration and renewals. The registration and annual renewal fees are:

- 1. \$20 for firms processing or handling fewer than 6,000 dozen eggs per year,
- 2. \$100 for firms processing or handling between 6,000 and 30,000 dozen eggs per year,
- 3. \$300 for firms processing or handling between 30,000 and 150,000 dozen eggs per year, and
- 4. \$400 for firms processing or handling more than 150,000 dozen eggs per year.

The bill does not establish fees for firms that process or handle

exactly 6,000, 30,000, or 150,000 dozen eggs per year.

List of Egg Sources

Current law requires registered egg-grading plants to keep on file a list of all producers from whom they receive eggs. The bill instead requires all registered egg-grading plants and egg distributors to keep on file a list of the sources from which eggs are received and a list of accounts to which eggs are sold. The lists are subject to review by the DoAg and DCP commissioner, or their designees, as applicable, upon request.

Registrations can be Refused, Suspended, or Revoked for Cause

The commissioners may refuse to issue, suspend, or revoke a registration for cause. In doing so, they must consider the applicant's or registrant's history of compliance with any written orders or notices for violating the egg statutes or any laws or regulations on food storage, handling, sanitation, or safety; egg room sanitation; or egg disinfection, holding, packing, storage, or cooling requirements.

Registrations are Nontransferable

The bill specifies that egg-grading plant or egg distributor registrations are nontransferable.

Appeal; Administrative Hearing

The bill allows a person aggrieved by an order of either the DoAg or DCP commissioner, or their designee, to appeal the order and request an administrative hearing. The appeal must be in writing and received by the applicable commissioner within 10 days after the applicant received the order. An administrative hearing must be held within 45 days after the request.

An appeal must be limited to whether the conditions or violations cited in the order existed. The applicable commissioner or his designated hearing officer must issue a final decision based upon all the evidence introduced, applying all pertinent laws and regulations. A final order may be appealed to the Hartford Superior Court.

BACKGROUND

Legislative History

The Senate referred the bill (File 99) to the General Law Committee, which reported out a substitute that removes a requirement that egg producers who sell directly to consumers meet certain requirements to be exempt from the egg statutes. Thus, it reverts to current law, which exempts such egg producers from these statutes without conditions.

COMMITTEE ACTION

Environment Committee

Joint Favorable Substitute Yea 21 Nay 7 (03/04/2013)

General Law Committee

Joint Favorable Substitute
Yea 16 Nay 1 (04/16/2013)